

HOUSE BILL 746

By Brooks

AN ACT to amend Tennessee Code Annotated, Title 71, Chapter 3 and Title 71, Chapter 5, Part 12, relative to needy families.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 71-3-132, is amended by deleting the section in its entirety and by substituting instead the following:

The general assembly finds the following:

(1) Substantial amounts of temporary assistance to needy families (TANF) block grant funds exist from prior federal fiscal years 1998, 1999 and 2000, which are claimable by the state but have not been drawn down by the state.

(2) Under federal laws and regulations, the unspent prior-year TANF funds must be used solely for a limited scope of activities and services that constitute assistance.

(3) Under federal laws and regulations, current-year TANF funds may be used for a broader scope of activities and services permitted under TANF that may or may not constitute TANF assistance-type services.

(4) The amount of unspent prior-year TANF funds significantly exceeds the amount that reasonably needs to be reserved as a rainy-day fund for future unexpected

program needs, such as the need to expand assistance to needy families with children in the event of an economic downturn.

(5) The state could accommodate new investments in preventive and remedial programs and services permitted under the goals of TANF.

(6) It is sound fiscal management policy to fund the relatively limited scope of TANF assistance-type services with unspent prior-year TANF funds, thereby freeing up the use of current-year TANF funds to support a broader scope of preventive and remedial programs and services permitted under TANF.

(7) The ultimate success of Tennessee's Families First program will be determined, in large measure, by the timely and wise utilization of such TANF funds.

SECTION 2. The provisions of this act are declared to be remedial in nature and the provisions of this act shall be liberally construed to effectuate its purposes.

SECTION 3. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 4. This act shall take effect July 1, 2001, the public welfare requiring it.